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ATTORNEYS AT LAW

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April 27, 2005

Ref: 4151-23422

Honorable James H. Welsh
Commissioner of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Hearing Application
Marg Vag Zone, Reservoir A
Planulina Zone, Reservoir A
IBERIA FIELD
Iberia Parish, Louisiana
Applicant: SK E&P Company

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **SK E&P Company** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Marg Vag Zone, Reservoir A and Planulina Zone, Reservoir A, Iberia Parish, Louisiana.

Marg Vag Zone, Reservoir A

1. To create a single drilling and production unit of approximately 242 acres for the Marg Vag Zone, Reservoir A designated as the MARG VAG RA SUA, Iberia Field, Iberia Parish, Louisiana, all as shown more particularly on the attached plat;
2. The Marg Vag Zone, Reservoir A in Iberia Field, Iberia Parish, Louisiana is hereby defined as being that gas and condensate bearing zone encountered between the measured depths of 13,567 feet and 14,330 feet in the Oil & Gas Mgmt. (formerly Shell Oil Co.) Mayo Romero No. 2 Well, located in Section 2, Township 12 South, Range 7 East, Iberia Parish, Louisiana.

Planulina Zone, Reservoir A

1. To create a single drilling and production unit of approximately 390 acres for the Planulina Zone, Reservoir A designated as the PLAN RA SUA, Iberia Field, Iberia Parish, Louisiana, all as shown more particularly on the attached plat;
2. The Planulina Zone, Reservoir A in Iberia Field, Iberia Parish, Louisiana is hereby defined as being that gas and condensate bearing zone encountered between the measured depths of 11,340 feet and 12,746 feet in the Oil & Gas Mgmt. (formerly Shell Oil Co.) Mayo Romero No. 2 Well, located in Section 2, Township 12 South, Range 7 East, Iberia Parish, Louisiana.

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2200 West Loop South, Suite 1050 • Houston, Texas 77027 • (713) 333-5500 • Fax (713) 333-5501

For the Above Zones

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the said units;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created, with each tract sharing in unit production on a surface acreage basis of participation;
3. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on April 21, 2005. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. B. J. Duplantis. Mr. David Comeaux of Leon Comeaux & Associates presented the plan of applicant. Questions were asked and answered. Mr. Bill Dale on behalf of Elad Petroleum Corporation and Mr. Jim Hardwick on behalf of Mr. Boyd Anderson and the Patout family presented counterplans. The parties have agreed to continue to reconcile their differences. It is anticipated at this time that there may be opposition at the public hearing on this matter.

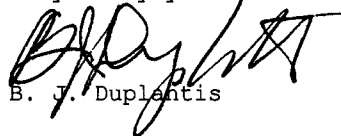
Attached hereto and made a part hereof are plats outlining the MARG VAG RA SUA and PLAN RA SUA, Iberia Field, Iberia Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. David Comeaux of Leon Comeaux & Associates, P. O. Box 53922, Lafayette, LA (337) 233-9839.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$1,510.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,



B. J. Duplantis

BJD/ht

Attachments

cc: Mr. Richard D. Hudson
District Manager, Office of Conservation

All Interested Owners,
Represented Parties and
Interested Parties

